

Hearing:  
March 11, 1997

Paper No.  
CEW

THIS DISPOSITION IS NOT  
CITABLE AS PRECEDENT OF THE TTAB

DEC. 4, 97

U.S. DEPARTMENT OF COMMERCE  
PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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Birmingham Steel Corporation  
v.  
Beta Steel Corp.

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Consolidated Opposition Nos. 88,237 and 88,238

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Joseph W. Berenato, III of Myers, Liniak & Berenato for  
opposer

David R. Melton and Gerard T. Gallagher of Barnes &  
Thornburg for applicant

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Before Rice, Hanak and Walters, Administrative Trademark  
Judges.

Opinion by Walters, Administrative Trademark Judge:

Birmingham Steel Corporation filed its opposition to  
two applications of Beta Steel Corp. to register the marks  
shown below for "semi finished steel products, namely, hot  
rolled coil steel, cold rolled coil steel, tube steel, pipe  
steel, plate steel, structural steel, galvanized and other  
treated coil steel, reinforcing bar steel, and steel wire."



As grounds for opposition, opposer asserts in its second amended notice of opposition<sup>3</sup> that applicant's marks, when applied to applicant's goods, so resemble opposer's

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<sup>1</sup> Application Serial No. 74/119,591, filed November 30, 1990, in International Class 6, based upon an allegation of a bona fide intention to use the mark in commerce in connection with the identified goods. The record includes a disclaimer of STEEL apart from the mark as a whole.

<sup>2</sup> Application Serial No. 74/119,592, filed November 30, 1990, in International Class 6, based upon an allegation of a bona fide intention to use the mark in commerce in connection with the identified goods.

<sup>3</sup> In its stipulated second amended notice of opposition, opposer adds reference to its ownership of Registration No. 1,797,516 as a basis for its claim under Section 2(d) and deletes in its entirety its allegations under Section 2(d) pertaining to its ownership of Registration No. 1,383,849. In its brief, opposer asserts that, at the present time, its mark is not being used on the goods identified in Registration No. 1,383,849. In view thereof, while opposer has made Registration No. 1,383,849 of record in this proceeding, we have not considered it herein.

previously used mark, shown below, for semi-finished steel products, which mark is also registered,<sup>4</sup> as to be likely to cause confusion under Section 2(d) of the Trademark Act. Opposer alleges use of its mark in connection with such goods since at least November 16, 1989. Opposer alleges, further, that "applicant's mark is deceptively similar to opposer's mark so as to cause confusion and lead to deception as to the origin of applicant's goods bearing the applicant's mark"; and that "opposer has developed an exceedingly valuable goodwill in respect of the sale of semi-finished steel products bearing opposer's [mark]."



Applicant, in its answer, denied the salient allegations of the likelihood of confusion claim.<sup>5</sup>

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<sup>4</sup> Registration No. 1,797,516, issued October 12, 1993, for goods identified as "semi-finished steel products: namely, reinforcing bars, merchant bars, merchant shapes and expansion shells; and powdered metal products; namely, camming plugs and nuts," in International Class 6.

<sup>5</sup> While the Board did not give applicant time to file an answer to the second amended notice of opposition, in its brief applicant has addressed opposer's claims of priority and likelihood of confusion based on Registration No. 1,797,516 and continued to deny opposer's claims in relation thereto. Thus, to the extent that the claims are different from those contained in the original notice of opposition, applicant is deemed to have denied the salient allegations of the second amended notice of opposition.

*The Record*

The record consists, in pertinent part, of the pleadings; the file of the involved application; a title and status copy of opposer's pleaded Registration No. 1,797,516; and certain specified supplemental responses of applicant to opposer's first set of interrogatories, made of record by opposer's notice of reliance<sup>6</sup>; and the testimony depositions of Robert G. Wilson, opposer's executive vice president, and Grant Ruthizer, applicant's vice president, secretary and member of the Board of Directors, both with accompanying exhibits. Both parties filed briefs on the case and an oral hearing was held.

*Applicant's Objections to Opposer's Testimony*

On March 18, 1996, applicant filed, along with its brief, its "statement of objections" to certain specified statements made by Mr. Wilson during his testimony and made by opposer in its brief. Opposer filed its response in opposition thereto.

Regarding applicant's objection to statements made by opposer in its brief, we construe applicant's objection as a motion to strike opposer's brief in part and we deny the

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<sup>6</sup> Opposer also submitted, under its notice of reliance, copies of its 1987 Annual Report; its Winter, 1986, Second Quarter Report; and a 1993 product brochure of opposer. These documents are not properly made of record by notice of reliance nor have they been treated as being of record by applicant. See, *Trademark Trial and Appeal Board Manual of Procedure*, (TBMP), Section 708. Thus, we have not considered these documents as part of the record before us. We hasten to add that had we considered these documents, our decision herein would remain the same.

same. We have considered applicant's specific objections in our evaluation of the case herein. To the extent that opposer might, in its brief, mischaracterize any facts, which we do not conclude opposer has done in this case, we would simply disregard such statements. *See, TBMP, Section 540.*

Regarding applicant's objection to statements by Mr. Wilson in his testimony, we find, first, that opposer's contention that these objections are untimely is not well taken. Objections such as applicant's herein, which are basically substantive in nature, are not waived for failure to make them during or before the taking of the deposition and will be considered by the Board even if raised for the first time in a party's brief on the case. *See, TBMP, Section 718.03 and cases cited therein.*

We note that the transcript of Mr. Wilson's testimony includes, as a preface, the following stipulation between the parties: "[I]t shall not be necessary for objections to be made by counsel to any questions, except as to form or leading questions, and that counsel for the parties may make objections and assign grounds at the time of trial or at the time said deposition is offered in evidence, or prior thereto." While this stipulation would appear to preclude applicant from filing its objections with its brief, the terms of the stipulation are sufficiently ambiguous that we

find it does not prohibit applicant from asserting substantive objections with its brief, as permitted by Board practice.<sup>7</sup> Thus, we find that applicant's objections are timely.

However, we find that applicant's objections are not well-taken. There is no basis for applicant's objections to Mr. Wilson's testimony on the ground that specified testimony is "unsubstantiated by the record"; or on the ground that "the documents [submitted as exhibits to Mr. Wilson's deposition] speak for themselves." Similarly, the specified testimony is not prohibited as hearsay. Thus, the testimony has been considered by the Board for whatever probative value it may have.

#### *The Parties*

Opposer's executive vice president, Robert G. Wilson, testified that, since 1984, opposer has been a steel and steel products producer with mills and steel distribution depots in various locations throughout the United States. Opposer produces steel reinforcing bar (rebar) used in the

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<sup>7</sup> In the case cited by opposer, *Roux Laboratories, Inc. v. Kaler*, 214 USPQ 134 (TTAB 1982), the Board notes the ambiguity in a similarly-worded stipulation, however, that decision is otherwise inapposite. In *Roux Laboratories*, the Board was determining the timeliness of an objection which, under the rules and Board practice, is waived if not made during or before the taking of the deposition because, unlike the case herein, it involved objections which might have been obviated or removed if presented at that time.

construction industry and rounds, squares, flats, angles, channels and strips - also known as merchant products.<sup>8</sup>

Opposer sells its products to various types of construction manufacturers, steel fabricators and distributors. A distributor may be a company which is in another business, for example, lumber companies such as Georgia-Pacific or Weyerhaeuser also supply steel products, such as nails and rebar, to their customers. A distributor may be a steel service center. A steel service center is a distributor which purchases, primarily, steel merchant products in large quantities from several steel producers for resale in smaller quantities to a wide range of customers. Some service centers further process the steel and others resell the steel in the same form in which it was purchased.

While opposer will ship its products directly to a customer ordering in quantities larger than one truck load or carload, opposer primarily ships its products to fabricators, service centers and other distributors. Opposer's products are shipped in bundles with tags attached to the bundles, with opposer's pleaded trademark appearing on the tags. Upon receipt by a service center, opposer's

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<sup>8</sup> Opposer also manufactures steel rod and wire, which is sold primarily to the automotive manufacturing industry, and steel roof support systems, particularly for mines. However, other trademarks are used in connection with these products. While Mr. Wilson indicates that opposer may, at some point in the future, use its pleaded mark in connection with these products, such use had not been made by the time of trial.

bundles are opened and, thus, the tags are removed and opposer's products are co-mingled with the service center's inventory, which is likely to include the same kind of products from other steel producers.

Shipments of steel products from a service center to its customers are likely to include products from more than one producer and are identified in a certified mill test report (Wilson, Exhibit 11) by their physical and chemical properties. There is no tagging or other paper work that identifies these products by producer. When a problem arises regarding the quality of a shipment of steel from a distributor, chemical analyses can, in many but not all cases, indicate the producer of the steel in question.<sup>9</sup>

Mr. Wilson testified that opposer has 400 customers and annual sales of products in connection with which opposer uses its pleaded mark were approximately \$442 million in 1993. However, Mr. Wilson indicated that opposer's products are sold nationally and internationally and the record does

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<sup>9</sup> Opposer argues vigorously that confusion is likely herein because of the potential problem for end users of identifying the source of an unlabeled product of non-conforming quality. However, other than direct sale to the fabricator or other manufacturer, both opposer and applicant have detailed clear trade channels wherein any source identification is removed from the semi-finished steel product upon sale to the distributor and prior to its sale to the fabricator or manufacturer for reprocessing. Thus, while tracing non-conforming products to their source may be a problem in these cases, it is not a trademark issue and is not pertinent to our determination of likelihood of confusion herein. That is, the problem stems not from the trademarks used on the goods, but, rather, from the lack thereof at the time of sale to the fabricator or manufacturer.



not specify the number of U.S. customers or dollar amount of domestic sales.

Mr. Wilson testified that opposer's pleaded trademark appears on, essentially, all written materials used in connection with its products, such as invoices, price sheets, stationery and catalogs, as well as on its annual reports and other material relating, in general, to opposer's company. Mr. Wilson testified that opposer also uses its pleaded trademark on a variety of items, such as T-shirts, golf balls, caps and mugs, in connection with certain events attended or sponsored by opposer, such as trade shows and sporting events. Opposer promotes its products through its promotional materials, through direct contact by field sales representatives and customer contact representatives, and at trade association events. Opposer also uses its pleaded trademark in materials and advertisements promoting its company as an investment to existing and prospective stockholders.

Applicant's vice president and secretary, Grant Ruthizer, testified that applicant, incorporated in 1989, is a producer of steel products. In 1992, applicant's mill, located in Indiana, began producing and selling hot rolled coil steel.<sup>10</sup> Mr. Ruthizer stated that, at the time of

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<sup>10</sup> We note, first, that applicant has not yet filed an allegation of use in either application herein. In applicant's supplemental response to opposer's first set of interrogatories (No. 3), dated January 20, 1995, and signed by Mr. Ruthizer, applicant indicated that it has not yet used

trial, applicant had fifty active customers. Mr. Ruthizer admits that, while applicant does not presently produce steel rebar products, if applicant did produce rebar, it would be in competition with opposer.

Like opposer, applicant sells and anticipates selling its products to steel fabricators, steel distributors and steel service centers. Mr. Ruthizer testified that applicant's steel products are transformed by the purchaser in most cases. For example, if applicant's product is purchased by a processor, it is likely to be galvanized, coil rolled or pickled; if purchased by a warehouse (*i.e.*, a service center) it likely to be either resold in the same form, slit, or further processed to customer specifications; or if purchased by a manufacturer, it will lose its identity in all cases - undergoing processes such as stamping or welding to become anything that can be made from flat steel, from structural tubing to the body of a refrigerator.

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the mark on the goods. However, Mr. Ruthizer stated, in his deposition, that the marks herein have been in use in connection with, at least, hot rolled coil products since July, 1992. There is no evidence as to the nature and extent of applicant's production and sales as of this date. It is unnecessary for us to resolve this apparent inconsistency for purposes of determining priority as July, 1992, is subsequent to both the filing date of the applications herein and the dates of first use established by opposer. However, for purposes of our consideration of the issue of likelihood of confusion, we find that applicant has established that, as of the time of trial, it was doing business and had sold hot rolled coil products to which tags bearing the marks herein have been affixed.

Mr. Ruthizer testified that applicant's mark appears on tags affixed to its products;<sup>11</sup> and that, upon processing by the purchaser, the tags are removed and the identity of applicant's products can be ascertained only through chemical analysis.

*Analysis*

While a certified copy of opposer's pleaded registration is of record, Registration No. 1,797,516 issued on October 12, 1993, based on an application filed September 2, 1992, which is subsequent to the November 30, 1990, filing date of the two applications herein. However, there is no issue with respect to opposer's priority, which applicant does not contest, as the evidence of record establishes opposer's priority through its use of its pleaded mark in connection with semi-finished steel products, including rebar, since prior to the filing date of applicant's two intent-to-use applications.<sup>12</sup>

Our determination of likelihood of confusion under Section 2(d) must be based on an analysis of all of the probative facts in evidence that are relevant to the factors

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<sup>11</sup> While Mr. Ruthizer stated that it would be possible, also, to apply the mark to the goods by printing or stenciling on the goods, there is no indication in the record that this was either anticipated or being done by applicant or opposer.

<sup>12</sup> We base this conclusion on the testimony of opposer's witness, Mr. Wilson, and not, as opposer proposes, on the tags accompanying the notice of opposition. Such matter, to be properly before us for consideration, must have been entered into evidence during opposer's testimony period.

bearing on the likelihood of confusion issue. *In re E.I. duPont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). Key considerations in this case are the similarities between the goods, the similarities between the marks, the channels of trade, the cost of the products and the sophistication of the purchasers.

With respect to the goods of the parties, opposer has established that it uses its pleaded mark on a number of semi-finished steel products, as identified in its pleaded registration. At least one of opposer's identified products, "reinforcing bars," is identical to "reinforcing steel bars" in applicant's identification of goods. It is immaterial that applicant has not yet used its mark in connection with rebar, as the issue of likelihood of confusion is determined based on the identification of goods in the applications. *See, In re Elbaum*, 211 USPQ 639, 640 (TTAB 1981). In view of the existence of identical goods herein, it is unnecessary for us to determine whether, or to what extent, the parties' remaining semi-finished steel products may be related. *See, Skunk Manufacturing Company v. Tarrant Manufacturing Company*, 318 F.2d 328, 137 USPQ 881 (CCPA 1963); *Board of Trustees of the University of Alabama v. BAMA-Werke Curt Baumann*, 231 USPQ 408 (TTAB 1986).

Considering the channels of trade, as both opposer's and applicant's goods are identified broadly we must presume

that the goods of opposer and applicant are sold in all of the normal channels of trade to all of the normal purchasers for goods of the type identified. See *Canadian Imperial Bank v. Wells Fargo*, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). That is, we must presume, at least with respect to the identical goods herein, rebar, that such goods of opposer and applicant are sold through the same channels of trade to the same classes of purchasers. Further, the parties' witnesses, in describing the parties' respective products and trade channels, describe essentially identical trade channels for the parties' goods. Both parties sell their semi-finished steel products to, *inter alia*, manufacturers, fabricators and distributors, such as service centers. These purchasers buy and then either use, reprocess or resell multiple types of semi-finished steel products.

It is clear from the record that the purchases involved are large, expensive purchases such that significant care is likely to be taken with each purchase. Both parties acknowledge that the purchasers of their respective products have specialized employees responsible for making purchases<sup>13</sup> such that these purchasers can be considered

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<sup>13</sup> Applicant's witness, Mr. Ruthizer, stated as follows:  
*Ques.* Who is responsible at Beta's customers for making purchasing decisions?  
*Ans.* The professional purchasing managers.

sophisticated with respect to the purchasing process and knowledgeable about the products purchased.

Turning to the marks, both parties' acknowledge that their marks are stylized B's, with one of applicant's marks including the wording BETA STEEL. Opposer argues that the predominant feature of applicant's marks is the letter "B."<sup>14</sup> On the other hand, applicant contends, essentially, that the design elements of the parties' marks are predominant; that the designs are distinctly different; and that the wording, BETA STEEL, further distinguishes one of its marks from opposer's mark.

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*Ques.* Okay. And what qualifications did they have which qualified them as professional purchasing managers?

*Ans.* That they devote their entire time at work to purchasing. And those three individuals with whom I am familiar have each more than 20 years experience doing only the purchase of steel.

Opposer's witness, Mr. Wilson, stated as follows:

*Ques.* Are you familiar with the individuals who buy [opposer's] products?

*Ans.* Well, most of them, or a large number of them, yes.

*Ques.* Can you characterize the level of knowledge or sophistication those people have?

*Ans.* I think it will range from very unsophisticated to it can be sophisticated as far as the person actually purchasing the steel. The people actually coming in contact with the steel, the warehouse people, et cetera, like that, generally are very unsophisticated. I would say mostly on a level of one to ten, the degree of sophistication would be five or below. . . . With ten being the highest.

We are not clear whether Mr. Wilson's consideration of the sophistication of a purchaser's employees refers, generally, to their knowledge of the world or to their knowledge with respect to the complexities of their jobs and opposer's products. However, we note that Mr. Wilson characterized the person actually purchasing the steel as more sophisticated than those who come in contact with the steel. We conclude that this statement belies opposer's assertion in its brief that purchasers of its products are "unsophisticated."

<sup>14</sup> With regard to applicant's mark which includes the wording BETA STEEL, opposer contends that the wording appears significantly smaller than the letter "B" and that a consumer would attach little significance to the phrase.

Considering, first, applicant's mark without the wording BETA STEEL, we conclude that, while both of the parties' marks include the letter "B," both marks are highly stylized. These marks are essentially design marks which are not capable of being spoken; they are not word marks. Thus, we must consider these marks primarily on the basis of their visual similarities and dissimilarities and we conclude that there are significant dissimilarities between the parties' marks that are readily discernible by viewing the marks in their entireties. *In re Burndy Corporation*, 300 F.2d 938, 133 USPQ 196 (CCPA 1962). In the *Burndy* case, the Court found no likelihood of confusion in connection with goods that were partially identical despite the fact that both marks, shown below, were based on a capital letter "B":

Citing *Burndy*, the court in *In re Anderson Electric Corp.*, 370 F.2d 593, 152 USPQ 245 (CCPA 1967), similarly found no likelihood of confusion, also in connection with partially

identical goods, between two marks, shown below, based on a capital letter "A":

*See also, Georgia-Pacific Corp. v. Great Plains Bags Co.*, 614 F.2d 757, 204 USPQ 697 (CCPA 1980) and *In re Electrolyte Laboratories Inc.*, 913 F.2d 930, 16 USPQ2d 1239 (Fed. Cir. 1990). Like the case before us, in each of these cases the court or the Board found no likelihood of confusion where the parties' goods were at least in part identical and the parties' marks were based upon an identical letter.

In the case before us, applicant's mark appears as a light design on a dark square so that if it is perceived as including letters, it may be perceived as the letter "B," the letter "F," or the letters "BF." By contrast, opposer's mark is a dark design on a light background, but not within a block. To the extent that opposer's mark may be perceived as including the letter "B," it appears in an entirely different design or font from applicant's mark and includes, superimposed over the dark area, a light design which could be perceived as a sword, a torch, one of opposer's products, or simply as an abstract design. In making this comparison we do not intend to imply that we are making a side-by-side



comparison of these marks. Rather, we believe that, when these marks are encountered separately, removed in time and place, the dissimilarities persist so that the purchasers involved herein will not equate the two marks or even form an association therewith. See, *Diamond Alkali Company v. Dundee Cement Company*, 343 F.2d 781, 145 USPQ 211 (CCPA 1965); *Georgia-Pacific Corporation v. General Paper Corporation of Pittsburg*, 196 USPQ 762 (TTAB 1977), *aff'd*, CCPA, No. 78-534, November 2, 1978.

We find that when opposer's mark and applicant's mark without the wording, BETA STEEL, are considered in their entirety, they engender distinctly different overall commercial impressions which are sufficient to avoid a likelihood of confusion in this case, even with respect to the identical goods indicated herein. We find the same is true with respect to opposer's mark and applicant's mark containing the wording BETA STEEL. In fact, contrary to opposer's assertion, we conclude that the addition of the wording clearly identifies applicant and, as such, further distinguishes the parties' marks.

We agree with applicant that opposer has not established that its mark is famous as used in connection with semi-finished steel products and, thus, entitled to a broad scope of protection. In this regard, opposer has offered, primarily, very general testimony and evidence

regarding the nature and extent of its promotion of its mark in connection with its products. Opposer has offered no specific evidence regarding U.S. sales figures, advertising and other promotional expenditures or, most significantly, evidence regarding the reputation of opposer's mark to the relevant purchasing group. In addition, opposer has not shown in even approximate terms its share of the relevant market.

Regarding other factors relevant to likelihood of confusion which were addressed by the parties, we find no evidence to support opposer's apparent contention that applicant adopted its mark with an intent to trade on opposer's reputation.

Further, regarding actual confusion or lack thereof, as the applications herein are based on allegations of a bona fide intent to use the respective marks and, to the extent use has actually occurred, any contemporaneous use by the parties is of relatively short duration, any conclusions drawn by the parties regarding actual confusion or lack thereof are unpersuasive herein.

In conclusion, we find that in view of the dissimilarities in the overall commercial impressions of opposer's and applicant's marks in connection with the parties' goods, the sophistication and knowledge involved in the purchase of the parties products and the large and

expensive nature of such purchases, no confusion is likely to exist herein.

*Decision:* The opposition is dismissed.

J. E. Rice

E. W. Hanak

C. E. Walters  
Administrative Trademark Judges,  
Trademark Trial and Appeal Board